

**A) Agreed Changes to Technical Specification**

## 1. Keppel Sette Comment List B -

S/N	Title	Final Status	Accepted Price (US\$)
19	19.6.3 - A complete system for storing and mixing the mud with other required fluids like water, brine/base oil etc.	Item Closed. Commercially Agreed	\$155,960.00

## 2. Keppel Sette Comment List A -

Item	Title	Final Status	Accepted Price (US\$)
9	Doors in accommodation	Item Closed. Commercially Agreed	\$65,750.00
12	Private Bathroom and toilets	Item Closed. Commercially Agreed	\$32,400.00
26	Sea Water Cooling System	Item Closed. Commercially Agreed	\$6,499,350.00
32	Oily water separator	Item Closed. Commercially Agreed	\$98,000.00
65	Mud system	Item Closed. Commercially Agreed	\$372,400.00
75	BOP and Diverter Control System	Item Closed. Commercially Agreed	\$277,550.00
85	Choke and Kill Manifold	Item Closed. Commercially Agreed	\$84,700.00
94	Ballast system	Item Closed. Commercially Agreed	\$326,200.00
105	19.8.3-8.04 RISER (continuation)	Item Closed. Commercially Agreed	\$29,000.00
AA	BOP Shear Ram Upgrade	Item Closed. Commercially Agreed	\$3,700,000.00

Total Amount \$11,641,310.00

Overall Discount \$353,310.00

Agreed Amount \$11,288,000.00**B) Original Contract Price = US\$ 812,160,000.00****C) Final Contract Price = US\$ 823,448,000.00**

(Original Contract Price + Agreed Amount)



BRASFELS LTDA.		CONTRACT SETE-SPC Drilling B.V. DRUM# - EXHIBIT XVI
<b>DRILLING RIG UNIT 6</b>		
EXHIBIT XVIII - EPC PRICE SCHEDULE		Sheet: 1/1
1	<b>PRICE SCHEDULE "A"</b>	
Lump-sum price for supplying 1 DRILLING RIG UNIT, as established in Item 9.2.1 of the Contract.		
<b>ITEM</b>	<b>DESCRIPTION</b>	
1	<b>SCHEDULE "A" - TOTAL PRICE</b> This amount shall correspond to the sum of partial prices paid in the currencies specified under items 1.1, 1.2, and 1.3	
1.1	Price to be paid in US\$ (American Dollars)	US\$ 370,551,600
1.2	Price to be paid in € (Euros)	--0--
1.3	Price to be paid in R\$ (Brazilian Reals)	R\$ 706,518,384
1	<b>TOTAL PRICE</b>  Sum of partial prices as per items 1.1, 1.2 and 1.3 CONVERTED TO US\$ AMERICAN DOLLARS AT US\$1 = R\$ 1.56	US\$ 823,448,000
<b>OWNER</b>	<b>BIDDER</b>	<b>DATE</b>
SETE-SPC Drilling B.V.		BASE DATE FOR ESCALATION : JULY 09 2011

**A) Agreed Changes to Technical Specification**

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(Original Contract Price + Agreed Amount)



## CASHFLOW FOR RIGS 2-6

Unit #2 \$ 822,448,000.00		10 months apart		11 USD: 1 \$ 6.801	
S/No	Period	Milestone	Payment	USD Portion (%)	Native Currency [%]
1	Month 0	Down Payment	\$ 4.0%	\$ 32,937,920	100%
2	Month 13	13 months after EPC Signing	\$ 6.0%	\$ 49,406,880	90%
3	Month 17	Upper Hull Strike Steel	\$ 12.0%	\$ 98,813,760	75%
4	Month 19	Lower Hull Strike Steel	\$ 5.0%	\$ 41,172,460	60%
5	Month 22	Keel Lay - Lower Hull	\$ 10.0%	\$ 82,344,800	60%
6	Month 26	Start of Upper Hull Grand Assembly	\$ 9.0%	\$ 74,110,320	60%
7	Month 28	Install 1st Engine	\$ 10.0%	\$ 82,344,800	50%
8	Month 31	Undocking	\$ 10.0%	\$ 82,344,800	45%
9	Month 34	Start Lower Hull Consolidation	\$ 6.0%	\$ 49,406,880	20%
10	Month 37	Start Engine Load Test	\$ 6.0%	\$ 49,406,880	15%
11	Month 40	Leave for Marine Matting	\$ 6.0%	\$ 49,406,880	5%
12	Month 43	Startup Drawworks	\$ 6.0%	\$ 49,406,880	5%
13	Month 53	Leave for Anchorage	\$ 5.0%	\$ 41,172,460	0%
14	Month 57	Delivery	\$ 5.0%	\$ 41,172,460	0%
	Total		100.0%	\$ 823,448,000	

Unit #3 \$ 823,448,000.00		8 months apart		11 USD: 1 \$ 6.801	
S/No	Period	Milestone	Payment	USD Portion (%)	Native Currency [%]
1	Month 0	Down Payment	\$ 4.0%	\$ 32,937,910	100%
2	Month 13	13 months after EPC Signing	\$ 6.0%	\$ 49,406,880	90%
3	Month 25	Upper Hull Strike Steel	\$ 12.0%	\$ 98,813,760	75%
4	Month 27	Lower Hull Strike Steel	\$ 5.0%	\$ 41,172,460	60%
5	Month 30	Keel Lay - Lower Hull	\$ 10.0%	\$ 82,344,800	60%
6	Month 34	Start of Upper Hull Grand Assembly	\$ 9.0%	\$ 74,110,320	60%
7	Month 36	Install 1st Engine	\$ 10.0%	\$ 82,344,800	50%
8	Month 39	Undocking	\$ 10.0%	\$ 82,344,800	45%
9	Month 42	Start Lower Hull Consolidation	\$ 6.0%	\$ 49,406,880	20%
10	Month 45	Start Engine Load Test	\$ 6.0%	\$ 49,406,880	15%
11	Month 48	Leave for Marine Matting	\$ 6.0%	\$ 49,406,880	5%
12	Month 57	Startup Drawworks	\$ 6.0%	\$ 49,406,880	0%
13	Month 63	Leave for Anchorage	\$ 5.0%	\$ 41,172,460	0%
14	Month 65	Delivery	\$ 5.0%	\$ 41,172,460	0%
	Total		100%	\$ 823,448,000	



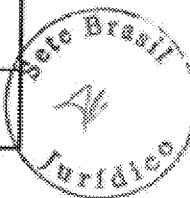
## CASHFLOW FOR RIGS 2-6

Unit #4 \$ 823,448,000.00

S/No	Period	Milestone	8 months apart		Native Currency (%)		Native Currency	
			Payment	USD Portion (%)	USD Portion (%)	BRL Portion (%)	USD Portion (USD)	BRL Portion (USD)
1	Month 0	Down Payment	4.0%	\$ 32,937,920	100%	0%	\$ 32,937,920	\$ -
2	Month 13	13 months after EPC Signing	6.0%	\$ 49,406,880	90%	10%	\$ 44,466,192	\$ 4,940,688
3	Month 33	Upper Hull Strike Steel	12.0%	\$ 98,913,760	75%	25%	\$ 74,110,340	\$ 24,703,440
4	Month 35	Lower Hull Strike Steel	5.0%	\$ 41,172,400	60%	40%	\$ 24,703,440	\$ 16,468,960
5	Month 38	Keel Lay - Lower Hull	10.0%	\$ 82,344,800	60%	40%	\$ 49,406,880	\$ 32,937,920
6	Month 42	Start of Upper Hull Grand Assembly	9.0%	\$ 74,110,320	60%	40%	\$ 44,466,192	\$ 29,644,128
7	Month 44	Install 1st Engine	10.0%	\$ 82,344,800	50%	50%	\$ 41,172,400	\$ 41,172,400
8	Month 47	Undocking	10.0%	\$ 82,344,800	45%	55%	\$ 37,055,160	\$ 45,289,640
9	Month 50	Start Lower Hull Consolidation	6.0%	\$ 49,406,880	20%	80%	\$ 3,981,376	\$ 39,525,504
10	Month 53	Start Engine Load Test	6.0%	\$ 49,406,880	15%	85%	\$ 7,411,032	\$ 41,985,848
11	Month 56	Leave for Marine Mating	6.0%	\$ 49,406,880	5%	95%	\$ 2,470,344	\$ 46,936,536
12	Month 65	Startup Drawworks	6.0%	\$ 49,406,880	5%	95%	\$ 2,470,344	\$ 46,936,536
13	Month 71	Leave for Anchorage	5.0%	\$ 41,172,400	0%	100%	\$ -	\$ 41,172,400
14	Month 73	Delivery	5.0%	\$ 41,172,400	0%	100%	\$ -	\$ 41,172,400
		Total	100%	\$ 823,448,000			\$ 370,551,600	\$ 452,896,400

Unit #5 \$ 823,448,000.00

S/No	Period	Milestone	8 months apart		Native Currency (%)		Native Currency	
			Payment	USD Portion (%)	USD Portion (%)	BRL Portion (%)	USD Portion (USD)	BRL Portion (USD)
1	Month 0	Down Payment	4.0%	\$ 32,937,920	100%	0%	\$ 32,937,920	\$ -
2	Month 13	13 months after EPC Signing	6.0%	\$ 49,406,880	90%	10%	\$ 44,466,192	\$ 4,940,688
3	Month 41	Upper Hull Strike Steel	12.0%	\$ 98,913,760	75%	25%	\$ 74,110,320	\$ 24,703,440
4	Month 43	Lower Hull Strike Steel	5.0%	\$ 41,172,400	60%	40%	\$ 24,703,440	\$ 16,468,960
5	Month 46	Keel Lay - Lower Hull	10.0%	\$ 82,344,800	60%	40%	\$ 49,406,880	\$ 32,937,920
6	Month 50	Start of Upper Hull Grand Assembly	9.0%	\$ 74,110,320	60%	40%	\$ 44,466,192	\$ 29,644,128
7	Month 52	Install 1st Engine	10.0%	\$ 82,344,800	50%	50%	\$ 41,172,400	\$ 41,172,400
8	Month 55	Undocking	10.0%	\$ 82,344,800	45%	55%	\$ 37,055,160	\$ 45,289,640
9	Month 58	Start Lower Hull Consolidation	6.0%	\$ 49,406,880	20%	80%	\$ 9,881,376	\$ 39,525,504
10	Month 61	Start Engine Load Test	6.0%	\$ 49,406,880	15%	85%	\$ 7,411,032	\$ 41,985,848
11	Month 64	Leave for Marine Mating	6.0%	\$ 49,406,880	5%	95%	\$ 2,470,344	\$ 46,936,536
12	Month 73	Startup Drawworks	6.0%	\$ 49,406,880	5%	95%	\$ 2,470,344	\$ 46,936,536
13	Month 79	Leave for Anchorage	5.0%	\$ 41,172,400	0%	100%	\$ -	\$ 41,172,400
14	Month 81	Delivery	5.0%	\$ 41,172,400	0%	100%	\$ -	\$ 41,172,400
		Total	100%	\$ 823,448,000			\$ 370,551,600	\$ 452,896,400



## CASHFLOW FOR RIGS 2-6

Unit #6 \$ 823,448,000.00		8 months apart		Native Currency (%)		Native Currency	
S/n/b	Period	Milestone	Payment	USD Portion (%)	BRL Portion (%)	USD Portion (USD)	BRL Portion (BRL)
1	Month	0	Down Payment	4.0%	96%	\$ 32,937,920	\$ 32,937,920
2	Month	13	13 months after EPC Signing	6.0%	93%	\$ 49,406,880	\$ 44,466,192
3	Month	49	Upper Hull Strike Steel	12.0%	75%	\$ 98,813,760	\$ 74,110,320
4	Month	51	Lower Hull Strike Steel	5.0%	60%	\$ 41,172,400	\$ 24,703,440
5	Month	54	Keel Lay - Lower Hull	10.0%	60%	\$ 82,344,800	\$ 16,468,960
6	Month	58	Start of Upper Hull Grand Assembly	9.0%	60%	\$ 74,110,320	\$ 49,406,880
7	Month	60	Install 1st Engine	10.0%	50%	\$ 82,344,800	\$ 41,172,400
8	Month	63	Udeckering	10.0%	45%	\$ 82,344,800	\$ 37,055,160
9	Month	66	Start Lower Hull Consolidation	6.0%	80%	\$ 49,406,880	\$ 45,289,540
10	Month	69	Start Engine Load Test	6.0%	85%	\$ 49,406,880	\$ 39,525,540
11	Month	72	Leave for Marine Matting	6.0%	5%	\$ 49,406,880	\$ 2,470,344
12	Month	81	Startup Drawworks	6.0%	5%	\$ 49,406,880	\$ 46,316,336
13	Month	87	Leave for Anchorage	5.0%	5%	\$ 41,172,400	\$ 46,935,536
14	Month	89	Delivery	5.0%	0%	\$ 41,172,400	\$ 41,172,400
		Total	100%	5	823,448,000	\$ 370,551,600	\$ 482,896,400
						\$ 706,518,384	



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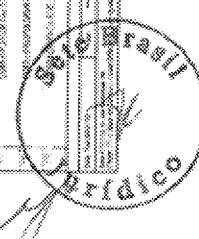
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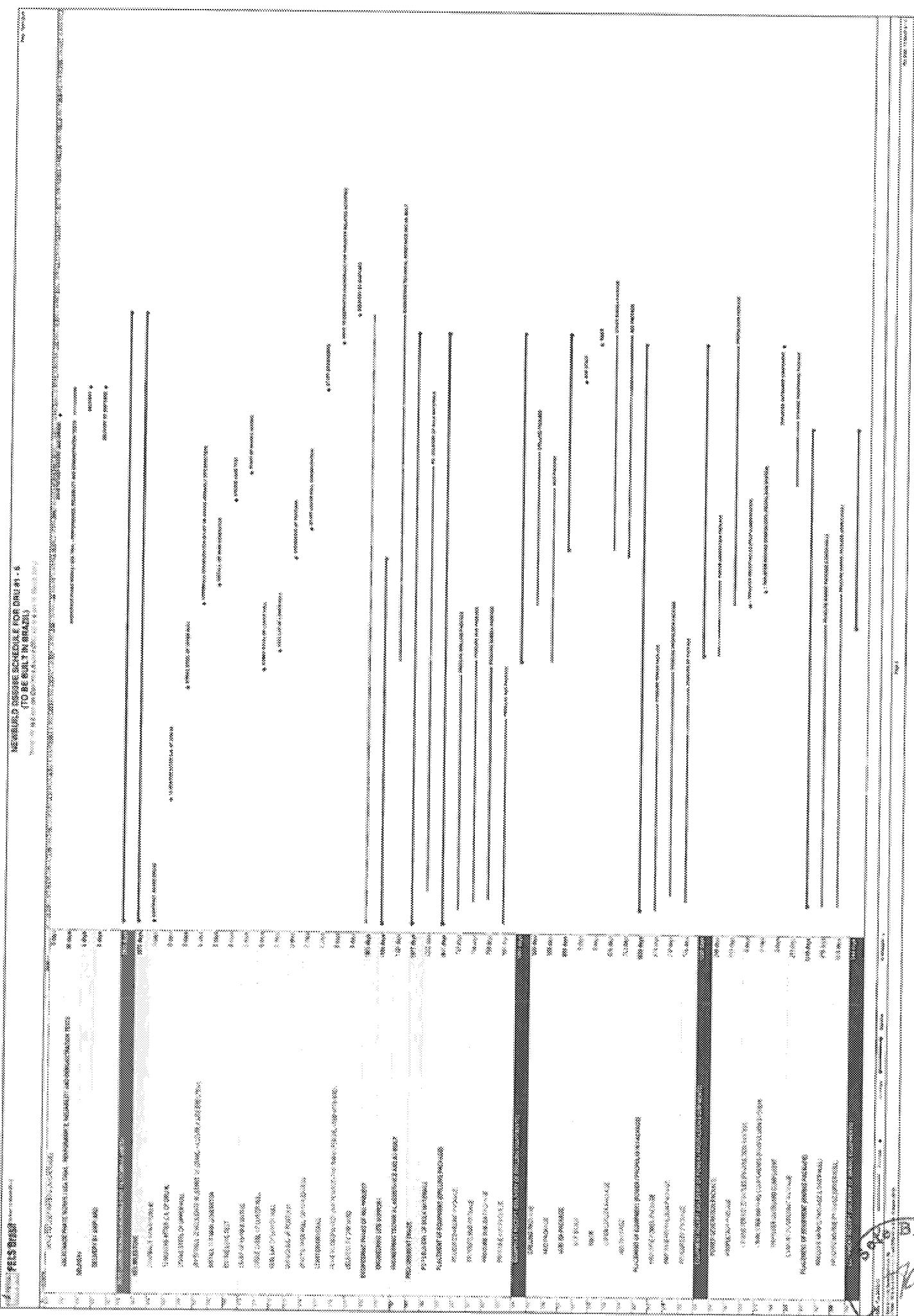
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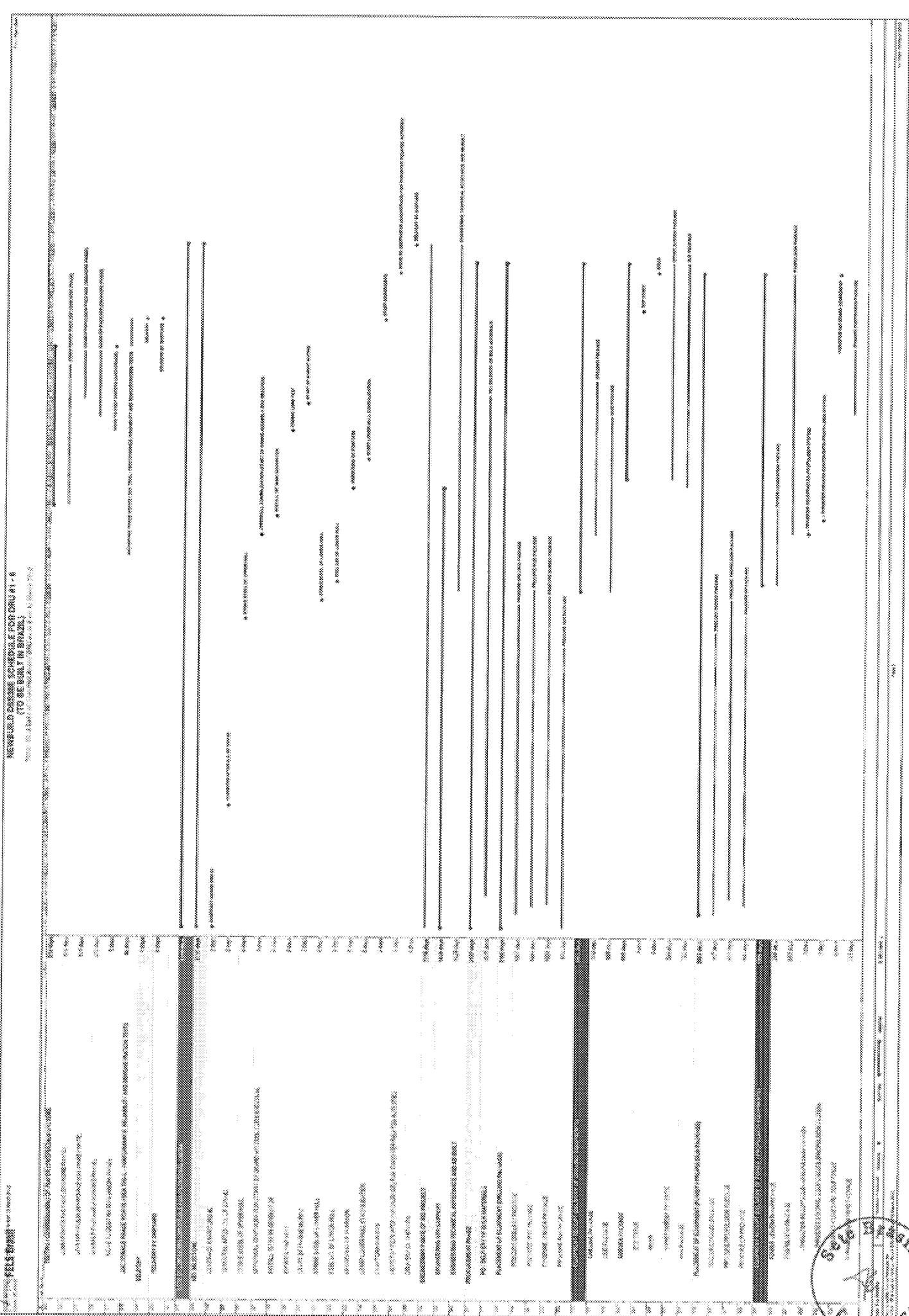




This image shows a page from a document that has been significantly redacted. The majority of the page is covered by large black rectangular redactions. A prominent feature is a large, circular redaction mark located in the bottom right corner. The text within the redacted areas is completely illegible. At the very top left, there is some very small, faint text that appears to be a header or reference number.

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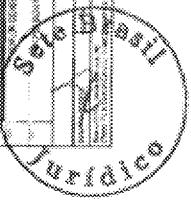


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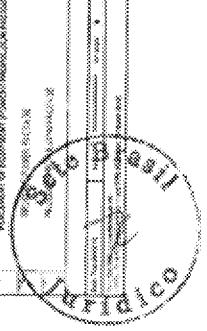
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This image shows a blank, lined ledger page from a notebook. The page is ruled with horizontal lines and features a vertical margin line on the left. There are several columns of small, illegible handwritten entries across the page. A large, bold red letter 'S' is stamped in the bottom right corner.



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**RECORDED & INDEXED** *BY THE BUREAU OF LABOR STATISTICS*

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## Preliminary Local Content Plan for Rigs 2 to 6

	Rig No 2		Rig No 3-4	
	% of Contract Value	Brazilian Content %	% of Contract Value	Brazilian Content %
<b>Fab / Integration / Commissioning</b>	33.8%	78.8%	34.9%	79.8%
- Lower Hull + Living Quarters + Drill Floor Substructure.	7.2%	0.0%	7.1%	0.0%
- Upper Hull	21.5%	100.0%	22.0%	100.0%
- Integration & Commissioning	5.1%	100.0%	5.8%	100.0%
<b>Equipment / Bulk Material</b>	50.0%	36.0%	51.1%	40.1%
- Drilling Package	24.0%	29.0%	24.5%	34.0%
- Power/Propulsion/DP Package	8.3%	40.0%	8.5%	50.0%
- Bulk Material	10.2%	43.7%	10.5%	43.7%
- Others	7.4%	43.8%	7.6%	43.8%
<b>Engineering/PMT/Miscellaneous</b>	16.2%	65.4%	14.0%	85.4%
<b>Global Local Content</b>		55.2%		60.3%

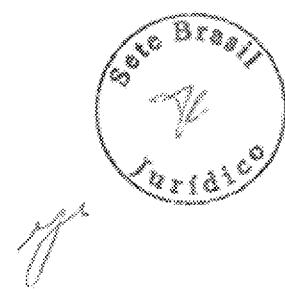
	Rig No 3	
	% of Contract Value	Brazilian Content %
<b>Fab / Integration / Commissioning</b>	36.6%	90.4%
- Lower Hull + Living Quarters	3.5%	0.0%
- Upper Hull + Drill Floor Substructure	27.2%	100.0%
- Integration & Commissioning	5.9%	100.0%
<b>Equipment / Bulk Material</b>	53.1%	49.4%
- Drilling Package	25.5%	50.0%
- Power/Propulsion/DP Package	8.8%	60.0%
- Bulk Material	10.9%	43.7%
- Others	7.9%	43.8%
<b>Engineering/PMT/Miscellaneous</b>	10.3%	57.3%
<b>Global Local Content</b>		65.2%

	Rig No 4	
	% of Contract Value	Brazilian Content %
<b>Fab / Integration / Commissioning</b>	37.7%	90.6%
- 4 Lower Hull Blocks + Living Quarters	2.5%	0.0%
- Remaining Lower Hull + Columns + Upper Hull + Drill Floor Substructure	29.0%	100.0%
- Integration & Commissioning	6.1%	100.0%
<b>Equipment / Bulk Material</b>	53.1%	49.4%
- Drilling Package	25.5%	50.0%
- Power/Propulsion/DP Package	8.8%	60.0%
- Bulk Material	10.9%	43.7%
Others	7.9%	43.8%
<b>Engineering/PMT/Miscellaneous</b>	9.2%	54.6%
<b>Global Local Content</b>		65.4%



## Preliminary Plan for Components of Hull Fabricated Outside Brasil

Rig	Components Fabricated Outside Brasil
Rig 2	Lower Hull (in components), Living Quarters Module and Drill Floor Substructure
Rig 3	Lower Hull (in components), Living Quarters Module and Drill Floor Substructure
Rig 4	Lower Hull (in components), Living Quarters Module and Drill Floor Substructure
Rig 5	Lower Hull (in components), Living Quarters Module
Rig 6	Living Quarters Module, 4 nos of Lower Hull Blocks



## Minutes of Meeting

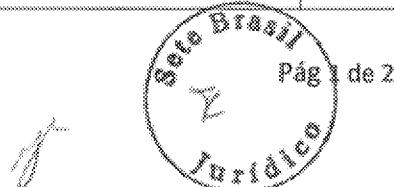
### 1. Purpose

To align understandings between parts prior to signature of LOI for the DRUs 2- 6

### 2. Information

Date	20/03/2012	
Time	16:00- 17:00	
Local	Sete Office	
Participants	Sete: <ul style="list-style-type: none"> <li>• Pedro Barusco</li> </ul>	Keppel/ Brasfels: <ul style="list-style-type: none"> <li>• Leong Peng</li> <li>• Tommy Sam</li> <li>• Kenneth Chong</li> </ul>

Subject	Responsable	Delivery
1. SETE Brasil informed that the Hull of DRU 6 shall be built in Brazil with exception to only 2 blocks out of 5 in each pontoon, that will be allowed to be built out of Brazil. For the other DRUs Brasfels to propose a graduation plan of construction stating the parts to be built out of Brazil. Brasfels to issue a plan that will be attached to the LOI .	Brasfels/ Keppel	21/03/2012
2. The parties agreed that the open item on the contractual document EXHIBIT XXVIII – Appendix 04 – Spec Clarification – Comment List A – item 1, which is Contractor (Brasfels/ Keppel) to comply and be the sole responsible for the NR-30 - SEGURANÇA E SAÚDE NO TRABALHO AQUÁVIÁRIO for the DRUs 2- 6 and also the one already signed (DRU#1 SS-Urca), is the swimming pool item that shall be discussed and agreed by the parties prior to the execution of the EPC Contracts for DRUs 2- 6	Brasfels/ Keppel	Prior to the execution of the EPC Contracts for DRUs 2- 6
3. Sete and Brasfels confirmed that the scope related to the POB stated in the CTS proposal from 9/July/2012 was reduced from 180 to 160 as consequence of negotiation from 7 units to 6 units. In case Sete wishes to return to POB 180 it shall	Sete	21/04/2012





setebrasil

inform Brasfels within 30 days and it will have an extra cost of USD 4,500,000.00/ per DRU.		
4. Sete requested Brasfels to reduce the construction period of DRUs 2-6 by one month from the proposed schedule. Brasfels agreed and will issue a revised construction schedule to attach to the LOI.	Brasfels/ Keppel	21/03/2012



## FERNVALE PTE. LTD.

50 Gul Road Singapore 629351  
Company Reg. No. 201132918E

Our Ref : FERN/URCA/0002

December 16, 2011

URCA DRILLING B.V.  
De entree 99-197  
1101HE Amsterdam,  
The Netherlands

Attn: Chief Operation Officer  
Reference: EPC Contract - Clause 3.15

Dear Sirs,

We hereby provide Urca Drilling B.V. with a copy of the Sublease Contract related to the BrasFELS yard area ("Yard").

Kindly note that as the Yard is not BrasFELS property, BrasFELS is not able to comply with section 3.15 (a) of the EPC contract with respect to keep the Site free and clear of liens, claims and encumbrances due to the fact that the yard is already mortgaged to BNDES by the owner ("BNDES Mortgage"). This can be evidenced in preamble (III) of Annex I of the Sublease contract.

This letter does not represent or constitute any amendment or waiver to the provisions of the EPC contract except as strictly provided herein.

The capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the EPC contract.

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## FERNVALE PTE. LTD.

50 Gul Road Singapore 629351  
Company Reg. No. 201132918E

Our Ref : FERN/URCA/0002

December 16, 2011

URCA DRILLING B.V.  
De entree 99-197  
1101HE Amsterdam,  
The Netherlands

Attn: Chief Operation Officer  
Reference: EPC Contract - Clause 3.15

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We hereby provide Urca Drilling B.V. with a copy of the Sublease Contract related to the BrasFELS yard area ("Yard").

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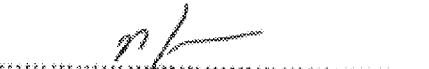
*(Signature page of the letter dated as of 16 December 2011)*

Kindly signify your acknowledge and agreement to the foregoing by signing and returning to us a copy hereof.

Yours faithfully,

  
FERNVALE PTE. LTD.  
Name: Ching Chuan Lai  
Title: Attorney in Fact

We hereby acknowledge and agree to the above stated.  
For and on behalf of URCA DRILLING B.V.

  
Name: Pedro José Barusco Filho  
Title: Attorney-in-fact

**ATTACHMENTS:**

- \* Sublease Agreement for Industrial Area.

